



State of Rhode Island
Department of Administration / Division of Purchases
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December 2, 2013

ADDENDUM # 3

RFP# 7523366

Title: Predictive Modeling for Rhode Island's Health Benefit Exchange

Bid Closing Date & Time: Thursday, December 12, 2013 @ 10:00 AM (ET).

Notice to Vendors: Attention All Bidders

- 1. State Responses to Vendor Questions, see attached below.**
- 2. Revised electronic versions of Appendices: B and C are attached to the website for vendor use.**
- 3. Eligible entity requirement:** In order to perform the contemplated services related to the Rhode Island Health Benefits Exchange (HealthSourceRI), the vendor hereby certifies that it is an "eligible entity," as defined by 45 C.F.R. § 155.110, in order to carry out one or more of the responsibilities of a health insurance exchange. The vendor agrees to indemnify and hold the State of Rhode Island harmless for all expenses that are deemed to be unallowable by the Federal government because it is determined that the vendor is not an "eligible entity," as defined by 45 C.F.R. § 155.110.

No further questions will be entertained.

David J. Francis
Interdepartmental Project Manager

Interested parties should monitor this website, on a regular basis, for any additional information that may be posted.

Vendor Questions for RFP #7523366 Predictive Modeling for Rhode Island's Health Benefit Exchange

Question 1: As a State Agency (out-of-state and similar to Rhode Island State Government), our State University is prohibited from binding our state to another state's laws. In the introductory paragraph, the RI General Conditions of Purchase bind the vendor (Our University) to "the provisions of Title 37 Chapter 2 of the General Laws of the State of Rhode Island...[and]...all other applicable provisions of the Rhode Island General Laws....". Is the Rhode Island Department of Administration/Division of Purchases willing and able to consider binding the vendor (Our University) to federal laws? It seems that the possibility exists (see Section 13.c.3.). Similarly, any Business Associate Agreements or Data Use Agreements would need to be subject to federal (and not Rhode Island) law.

Answer to question 1: The State of Rhode Island is subject to Rhode Island General Laws, Section 13.c.3 refers to the state terms and conditions of the contract, but does not allow the state to negotiate legal requirements.

Question 2: Our University is generally tax exempt, identical to Section 30. Will Our University be able to assert this status?

Answer to question 2:
Tax exemption does not apply to this offering.

Question 3: Our University is generally Self-Insured. Section 31 imposes specific Insurance mandates. Will our state's Self-Insurance suffice?

Answer to question 3:

As a governmental entity the university must assume the risk for Commercial General Liability Insurance, Auto Liability and Workers Compensation or have a self-insured risk financing program. If the Predictive Modeling work is to be performed in RI, the state University would not enjoy the sovereign immunity provided by the University's home State. The University's self-insurance may extend to errors and omissions (E and O). If E & O is not covered by the University's "self-insurance" program then insurance would be needed by them. In addition, if students are to participate in this work as paid individuals, they must be covered by the university's workers compensation program. If they are volunteers to this project, then we need verification that the students are covered by either a health insurance plan or volunteer accident insurance while conducting this work.

The indemnity language must continue to protect the state of RI for bodily injury, property damage, and personal injury caused by the negligent acts of the University's employees, agents or volunteers. This indemnity should also extend to negligent professional liability.

If the work requires the University access to personally identifiable information or protected health information. It needs to be determined if the Health Benefit Exchange is a covered entity for purposes of HIPAA, and if they are, the University must be a Business Associate. The University would then need a signed Business Associate Agreement with the State. (This is true for whoever bids on the proposal). A breach response plan should also be provided by whoever bids on the work and HBE must be informed of breaches within a time frame consistent with state and or federal requirements.

Question 4: As our State Agency (and similar to Rhode Island State Government), our University is prohibited from indemnifying and providing warranties on any of the work that we perform. Are you willing to strike Section 35.a.?

Answer to question 4: No.

Question 5: It is not clear that our university could comply with the certificate of authority and we lack a registered office and agent in Rhode Island. Are these requirements negotiable?

Answer to question 5: No. Any entity that contracts with the State of RI, must be registered and authorized to do business with RI.

Question 6: Would contracting through a Consortium system be a possibility to enable us to avoid some of the contracting issues listed above? A few years ago, our university worked with the Rhode Island Executive Office of Health and Human Services under a contract with a consortium system to develop a resource map to guide transformation of the long-term services and supports (LTSS) system and construct a rebalancing model for projecting utilization and expenditures for Medicaid LTSS through 2030. This work was carried out as part of Rhode Island's Real Choice Systems Transformation project.

Answer to question 6: A “consortium” may be bid on a procurement with the State of RI as long as the “consortium” meets the requirements of the solicitation and all RI legal requirements.

Question 7: Addendum 2, Section 5: Cost Proposal. The revised Cost Proposal requirements and Appendix B appear to require hourly rates only, however, the note at the bottom of Appendix C Project Staffing Form states, “Total must equal Personnel total from Cost Detail by Task Order worksheets”. Is total cost detail by Task Order required? If yes, is there a prescribed format for the worksheets?

Answer to question 7: Total cost detail by task order is not required, the reference to cost detail by task order worksheets has been removed. The list of positions on Appendix B rate card must match the positions listed on Appendix C – Project Staffing Form.